9066516/2024/PMU-VCIC

8557066/2024/INFRA-INC01

**GOVERNMENT OF ANDHRA PRADESH**
**ABSTRACT**

VCICDP – Tranche I - Interim Sanction for payment of fee for Arbitration by the APRDC as Employer which works to a total of Rs.45,00,000/- for three Arbitrators and to incur the expenditure towards travel and accommodation of three arbitrators for the sub-project *"Widening and strengthening of Samarlakota- Rajanagaram road"* - Orders - Issued.

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INDUSTRIES & COMMERCE (INFRA) DEPARTMENT

G.O.Rt.No.33 Dated: 20.02.2024.

Read the following:

1. G.O.Rt.No.133, Industries & Commerce (Infra) Department dt.25.06.2020.
2. From the Project Director, VCICDP., e.File No. INC02/27/2022-PMU-VCIC- Part(2), (Computer No. 1864373), dated.11.10.2022.

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ORDER:

In the G.O 1st read above, Administrative Sanction for an amount of Rs.466.60 Crores has been accorded for the subject work *"Widening and strengthening of Samarlakota– Rajanagaram Road to divided four lanes from Km.26/400 to 56/400 in East Godavari District (VCICDP-APRDC-01)"* under Tranche-I of VCICDP. The Technical sanction was accorded by the Managing Director, APRDC for an amount of Rs.393.44 Crores, wherein there is provision of contingencies of 5% on construction cost i.e., Rs.11,00,79,273/-.

2. In the reference 2nd read above, the Project Director, VCICDP has requested to issue necessary orders to bear the Expenditure towards Arbitration and Arbitration award amount if any, as requested by the Managing Director, APRDC:

i. It is required to pay the fee for Arbitration of approximately Rs.15,00,000/- to each Arbitrator by the Employer, which works to a total amount of Rs.45,00,000/- for three Arbitrators and the contractor has also to pay the same amount as part of his share. Expenditure towards travel and accommodation of three arbitrators are also to be shared by the Contractor and the Employer equally.
ii. The APRDC is executing the sub-project of VCICDP as PIU and further stated that the Transport, Roads and Buildings department is not liable for making the above payments if any.
iii. The liability for the total expenditure towards Arbitration and also the Arbitration award amount if any, lies with the executing agency of VCICDP, the Department of Industries, GoAP.

P.T.O

3. Further, the Project Director, VCICDP has informed that, there is no provision for the extraneous circumstances and resultant liabilities in the existing Administrative Sanction for the project and requested for sanction by the Government, as requested by the Managing Director, APRDC against the Contingency provision above, to pay the fee for Arbitration of (approximately) Rs.15,00,000/- to each Arbitrator by the APRDC as Employer, which works to a total of Rs.45,00,000/- for three Arbitrators, and with permission to incur the expenditure towards travel and accommodation of the three arbitrators.

4. Government after careful examination, sanction is hereby accorded for payment of fee for Arbitration by the APRDC as Employer which works to a total of Rs.45,00,000/- for three Arbitrators, and to incur the expenditure towards travel and accommodation of the three arbitrators for the sub-project *"Widening and strengthening of Samarlakota- Rajanagaram road)"* under Tranche-I of VCICDP.

5. The Project Director, VCICDP., and the Managing Director, APRDC shall take further necessary action in the matter duly following relevant Rules in force.

6. This order issues with the concurrence of the Finance Department vide their U.O.No:FIN01-PMU0EAP(APP)/16/2021-EAP,(Computer.No.1514390), dt.19.02.2024.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N. YUVARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Project Director, VICICDP., A.P., Vijayawada.
The Managing Director, APRDC, M.G Road, Vijayawada.
The Director of Treasuries & Accounts, Mangalagiri.
The Director of Works and Accounts, Mangalagiri
The Pay & Accounts Officer, Mangalagiri.
The Accountant General, (A&E),Vijayawada.
The CEO, APCFSS, Mangalagiri
Copy to:
The Finance (FMU-I&I, Energy, I&C) Department.
The P.S. to Hon'ble Minister (IIIC & IT), A.P. Secretariat.
The P.S. to Secretary to Government & CIP., Ind. & Comm. Dept.
SC/SFs.

//FORWARDED BY ORDER//

SECTION OFFICER